

News Release

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U.S. TOBACCO INDUSTRY TO BUY 455 MILLION POUNDS OF 1998 FLUE-CURED TOBACCO

WASHINGTON, December 2, 1997 -- The U.S. Department of Agriculture announced today that U.S. cigarette manufacturers plan to purchase 454.6 million pounds (farm sales weight) of 1998-crop flue-cured tobacco.

Major domestic cigarette manufacturers are required by statute to report annually to USDA their intended purchases of flue-cured tobacco from U.S. auction markets and producers.

Data on intended purchases, average annual flue-cured exports for the preceding three years and the amount of tobacco needed to attain reserve stock levels are used to determine the annual flue-cured tobacco marketing quota. The 1998 quota will be announced by December 15, 1997.

Annual flue-cured exports for 1995, 1996, and 1997 averaged 371.9 million pounds, up 28.6 million pounds from 1994-1996.

In 1997, manufacturers' intended purchases totaled 535.5 million pounds.

Further program information is available from Verner Grise,
(202) 720-5291, e-mail address vgrise@wdc.fsa.usda.gov

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